



October 8, 2013

House Commerce Committee
Room 519, House Office Building,
Lansing, MI 48933

RE: Support for HB 4327

Dear Members of the House Commerce Committee:

The Michigan Environmental Council is a coalition of 70 environmental, conservation and faith-based organizations located across Michigan. These organizations place a high priority on transportation issues and tools which support good transportation investments as key to Michigan's economic success and environmental prosperity.

HB 4327 would amend the Corridor Improvement Authority Act of 2005 to allow a Corridor Improvement Authority (CIA) established under the act to reset the initial assessed value of properties in a development district to gain sufficient revenue through its tax increment finance (TIF) plan. Due to declines in property values over the past 6-7 years, CIAs have faced declining revenues. This bill would allow CIAs a one-time reset of initial assessed values only in areas that have not been able to capture TIF revenues for three consecutive years due to declining assessed values.

CIAs play a role in helping cities further economic development outside of their main commercial districts or outside of Downtown Development Authority areas. CIA funded projects that revitalize underdeveloped corridors necessarily include transportation as a planning requirement. Municipalities composing the CIA have the opportunity to enhance their transportation systems in a unified, comprehensive manner.

The Corridor Improvement Authority Act requires cities funded by an Authority to modify their master plans to provide for walkable, non-motorized connections, including sidewalks and streetscapes throughout the improvement area. These design elements create safer conditions for pedestrians and bicyclists, an equitable and accessible transportation system for persons with disabilities, and have a substantial positive effect on revenues for surrounding businesses. Cities with comprehensive transportation systems are more attractive to younger generations, and contribute to a sense of place. Providing Authorities a way to sufficiently fund these revitalization projects is a critical step towards creating more vibrant communities.

The Michigan Environmental Council asks you to support HB 4327. Allowing CIAs to reestablish initial assessed values in areas with depressed property values will increase TIF revenue and provide funds for projects that create better transportation systems and economic development along the corridor. This is a valuable tool for investment in smart transportation systems and livable communities.

Please do not hesitate to contact me if you have any questions regarding our comments.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tim Fischer', with a stylized flourish at the end.

Tim Fischer

Deputy Policy Director
Michigan Environmental Council
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